STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

FO	D	N A	3
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AMENDED REPORT

(highlight changes)

APPLICATION FOR PERMIT TO DRILL								5. MINERAL LEASE NO: ML-48758	6. SURFACE: State
1A. TYPE OF WORK: DRILL REENTER DEEPEN 7. IF INDIAN, ALLOTTEE OR TRIBE NAME:									
B. TYPE OF WELL: OIL GAS OTHER SINGLE ZONE MULTIPLE ZONE 8. UNIT OF CA AGREEMENT NAME:									
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P. 9. WELL NAME and NUMBER: STATE 921-320									
3. ADDRESS OF 0 1368 S. 120		CITY VERNA	\L	UT _{Zip} 840)78	PHONE NUMBER: (435) 781-7024		10. FIELD AND POOL, OR W	
4. LOCATION OF				X				11. QTR/QTR, SECTION, TO MERIDIAN:	
AT SURFACE:	1010'FSL,	2122'FEL						SWSE 32 9S	21E
AT PROPOSED	AT PROPOSED PRODUCING ZONE: 44270454 -109.572689 SWSE 32 9S 21E								
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 12. COUNTY: 13. STATE: UTAH									
		AST OF OUR				05	1 45 100	UINTAH	<u> </u>
15. DISTANCE TO 1010'	NEAREST PROF	PERTY OR LEASE LIN	IE (FEET)	16. NUMBER OF	ACRES IN LEA	348.80	17. NU	MBER OF ACRES ASSIGNED	40.00
18. DISTANCE TO		(DRILLING, COMPLI	ETED, OR	19. PROPOSED	DEPTH:	No. 4.	20. BO	ND DESCRIPTION:	
REFER TO	ON THIS LEASE O TOPO C	(FEEI)				9,850	RL	B0005238	
	(SHOW WHETHE	R DF, RT, GR, ETC.)		22. APPROXIMA	TE DATE WOR	K WILL START:	23. ES	TIMATED DURATION:	
4986'GL									
24.			PROPOSE	D CASING AI	ND CEMEN	TING PROGRAM			
SIZE OF HOLE	CASING SIZE,	GRADE, AND WEIGH	IT PER FOOT S	ETTING DEPTH		CEMENT TYPE, QUA	ANTITY, Y	IELD, AND SLURRY WEIGH	Г
12 1/4"	9 5/8	H-40	32.3#	2,400	315 SX C	LASS G	15.6	PPG 1.18 YIELI)
7 7/8"	4 1/2"	I-80	11.6#	9,850	2020 SX	50/50 POZ	14.3	PPG 3.31 YIELI)
									· · · · · · · · · · · · · · · · · · ·
25.				ATTA	CHMENTS				
VERIFY THE FOL	LOWING ARE AT	TACHED IN ACCORD	ANCE WITH THE UT	AH OIL AND GAS C	ONSERVATION	GENERAL RULES:			
✓ WELL PL	AT OR MAP PREF	PARED BY LICENSED	SURVEYOR OR EN	GINEER	7 co	OMPLETE DRILLING PLAN			
✓ EVIDENC	E OF DIVISION C	OF WATER RIGHTS A	PPROVAL FOR USE	OF WATER	│	DRM 5, IF OPERATOR IS PE	ERSON O	R COMPANY OTHER THAN T	HE LEASE OWNER
OUTUA UDOUTOO									
NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST									
SIGNATURE // ///// DATE 3/24/2006									
(This space for State use only) Approved by the									
			~.I		Utah D	ivision of		BECE!	مسد سنة الي
API NUMBER AS	SIGNED:	43-047-	37458		II, Gas APPROVA	and Mining		MAR 2 9	2006
	(11/2001) Date: 87-31-08 DIV. OF OIL, GAS & MINING								
(11/2001)				Date (See Instructi	Contraction of the second	51-981		DIV. OF OIL, GA	12 C mman.

T9S. R21E. S.L.B.&M. WEST - 5280.00' (G.L.O.) Brass Cap (G.L.O. 2640.00 N00.00N 5577.99' (Meas. 32 Set Marked Stone Pile of Stones 2866.51' (Meas. NO0.45'56"W ź STATE #921-320 39 2122' Elev. Ungraded Ground = 4986° 25 N01 Lot 2 Lot 4 Lot 3 ô Lot 1 1977 Brass Cap 0.5' High, Pile of Stones, Steel Post 1977 Brass Cap T9SS89'10'33"W - 2731.23' (Meas.) S89°07'34"W - 2561.52' (Meas.) T10S 1977 Brass Cap (NAD 83) 1.2' High, Pile LEGEND: of Stones LATITUDE = 39.59.14.43" (39.987342) LONGITUDE = $109^{3}4^{2}4.45^{\circ}$ (109.573458) = 90° SYMBOL (NAD 27) PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

LATITUDE = $39^{\circ}59'14.56''$

LONGITUDE = 109.34'21.97'' (109.966814)

(39.987378)

Kerr McGee Oil & Gas Onshore LP

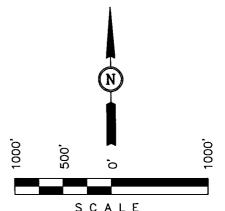
Well location, STATE #921-320, located as shown in LOT 2 of Section 32, T9S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE .

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELLER

> REGISTERED LAND SURVEYOR REGISTRATION NO. 161319 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'		DATE SURVEYED: 02-23-06	DATE DRAWN: 03-01-06	
PARTY B.H. J.T. S	S.L.	REFERENCES G.L.O. PLAT		
WEATHER	FILE			
COLD	Kerr M	lcGee Oil & Gas	Onshore LP	

STATE 921-320 SWSE SEC 32-T9S-R21E UINTAH COUNTY, UTAH ML-48758

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

Formation	<u>Depth</u>			
Uinta	0- Surface			
Green River	1537'			
Mahogany	2420'			
Wasatch	4812'			
Mesaverde	7819'			
MVU2	8667'			
MVL1	9276'			
TD	9850'			

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Substance	<u>Formation</u>	<u>Depth</u>
	Green River	1537'
	Mahogany	2420'
Gas	Wasatch	4812'
Gas	Mesaverde	7819'
Gas	MVU2	8667'
Gas	MVL1	9276'
Water	N/A	
Other Minerals	N/A	

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. <u>Evaluation Program</u>:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9850' TD, approximately equals 6107 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3940 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. <u>Variances:</u>

Please refer to the attached Drilling Program.

10. Other Information:

Please refer to the attached Drilling Program.

KERR-MCGEE OIL & GAS ONSHORE LP

STATE #921-320 SECTION 32, T9S, R21E, S.L.B.&M.

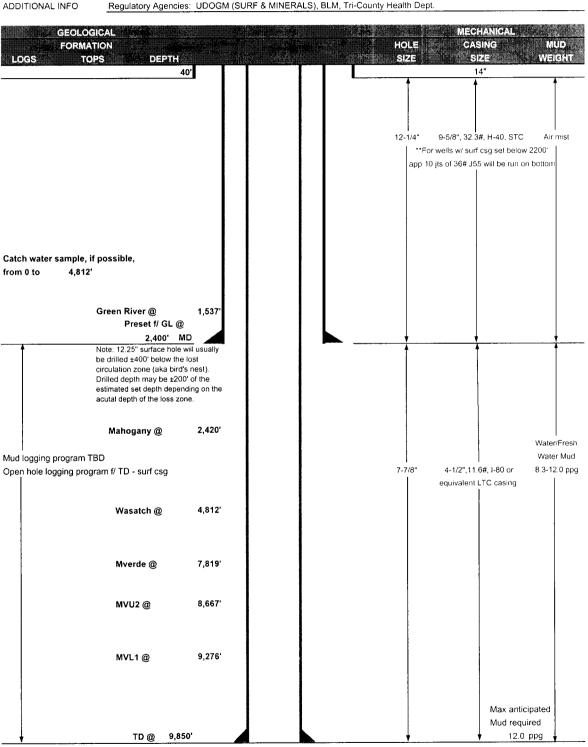
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.35 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 43.35 MILES.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPAN	NY NAME	KERR-McGE	E OIL & GAS ONSH	IORE LP		DATE	March 24, 2006			
WELL NA	AME 3	STATE 92	1-320			TD	9,850'	MD/TVD		
FIELD	Natural Butte	s	COUNTY Uintah	ST	ATE Utah		ELEVATION	4,986' GL	KE	3 5,001'
SURFAC	E LOCATION	SWSE SE	CTION 32, T9S, R2	1E 1010'FSL,	2122'FEL				BHL	Straight Hole
		Latitude:	39.987342	Longitude:	109.5734	58				
OBJECT	IVE ZONE(S)	Wasatch/M	1esaverde							
ADDITIONAL INFO Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.										





KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

									ESIGN FACT	ORS
	SIZE	4,350	NTERVA	L I	WT.	GR	CPLG.	BURST	COLLAPSE	TENSION
CONDUCTOR	14"		0-40'							
								2270	1370	254000
SURFACE	9-5/8"	0	to	2000	32.30	H-40	STC	0.57*****	1.46	3.74
								3520	2020	564000
	9-5/8"	2000	to	2400	36.00	J-55	STC	1.11******	1.80	8.31
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	9850	11.60	I -8 0	LTC	1.96	1.03	2.02

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 12.0 ppg) .22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP

3979 psi

Burst SF is low but csg is stronger than formation at

2400 feet

******** EMW @ 2400 for 2270# is 18.2 ppg or 0.9 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXPESS	Welciff	7 E
SURFACE	LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ .25 pps flocele		ļ		
	TOP OUT CMT (1)	250	20 gals sodium silicate + Premium cmt	100		15.60	1.18
		:	+ 2% CaCl + .25 pps flocele				
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			NOTE: If well will circulate water to surface	ce, option :	2 will be uti	lized	
Option 2	LEAD	2000	Prem cmt + 16% Gel + 10 pps gilsonite	230	35%	11.00	3.82
			+.25 pps Flocele + 3% salt BWOC				
	TAIL	500	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ .25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	ON LEAD	4,310'	Premium Lite II + 3% KCI + 0.25 pps	470	60%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	5,540'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1550	60%	14.30	1.31

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.						
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.						

ADDITIONAL INFORMATION

	Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out. BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder &							
	tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Keily to be equipped with upper							
	& lower kelly valves.							
	Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees. Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.							
DRILLING	ENGINEER:		DATE:					
		Brad Laney						
DRILLING	SUPERINTENDENT:		DATE:					

Randy Bayne STATE921-32O 2200' +.xls

^{*}Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

STATE 921-320 SWSE SEC 32-T9S-R21E Uintah County, UT ML-48758

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 1900' +/- of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 3000' of pipeline is proposed. Refer to Topo D for the proposed pipeline.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. Ancillary Facilities:

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

SITLA 675 East 500 South, Suite 500 Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed and is attached.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Sheila Upchego Regulatory Analyst Kerr-McGee Oil & Gas Onshore LP 1368 South 1200 East. Vernal, UT 84078 (435) 781-7024 Randy Bayne Drilling Manager Kerr-McGee Oil & Gas Onshore LP 1368 South 1200 East Vernal, UT 84078 (435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

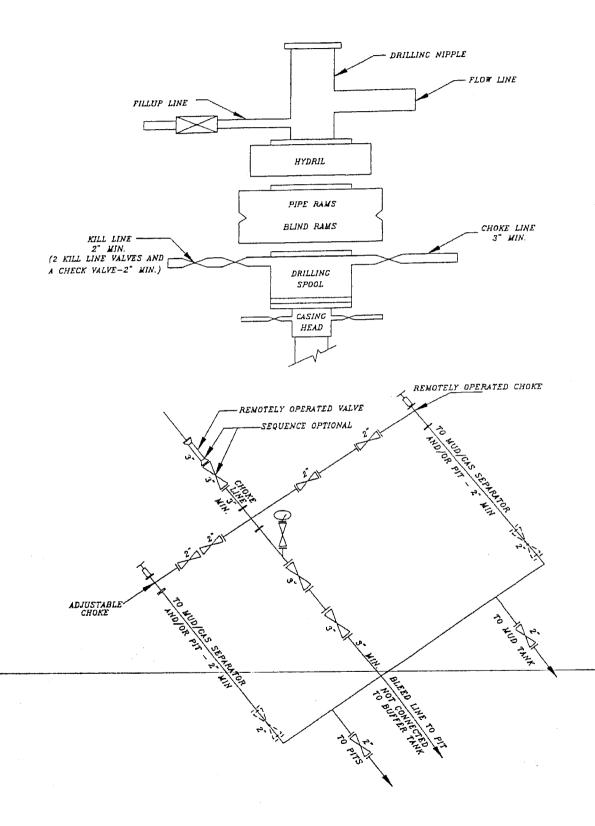
Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

11111 1111111 3/24/2006

5M BOP STACK and CHOKE MANIFOLD SYSTEM



KERR-MCGEE OIL & GAS ONSHORE LP

STATE #921-32O

LOCATED IN UINTAH COUNTY, UTAH **SECTION 32, T9S, R21E, S.L.B.&M.**

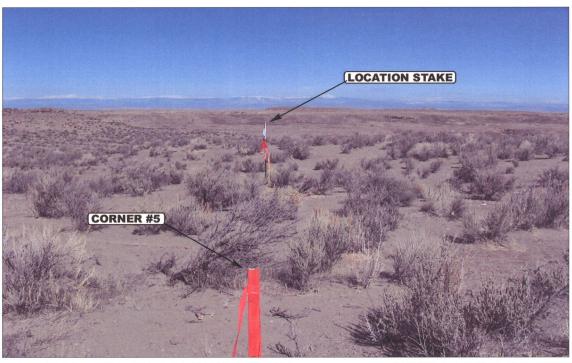


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078

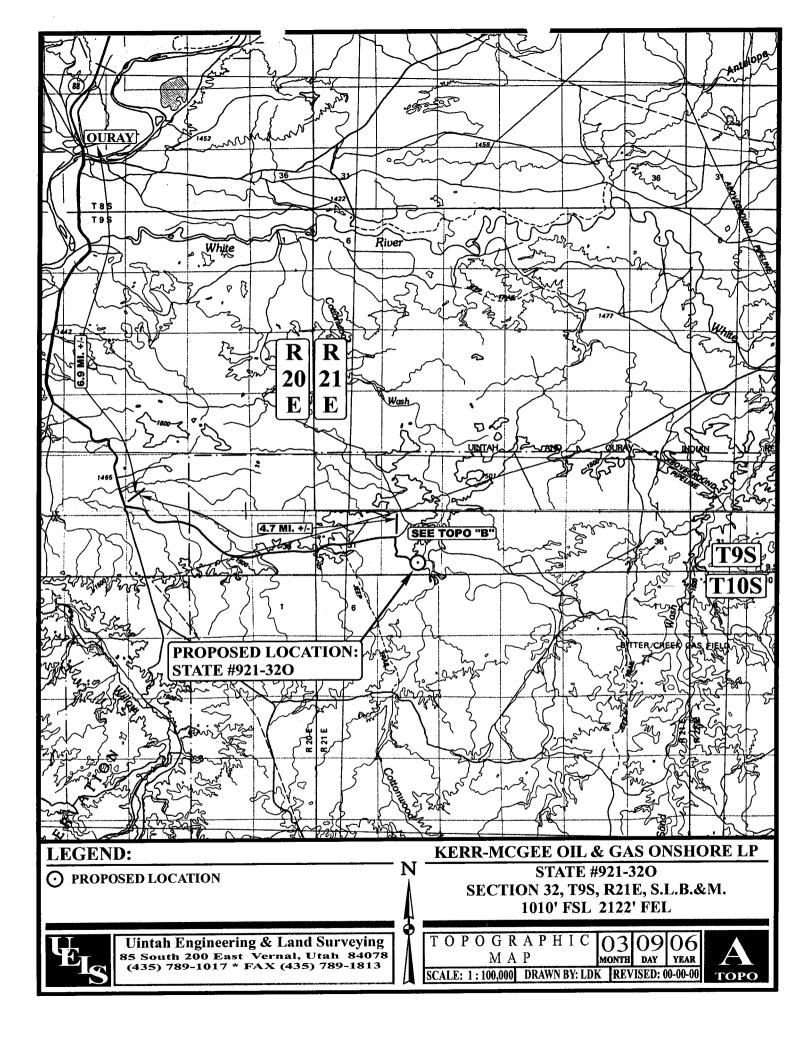
435-789-1017 uels@uelsinc.com

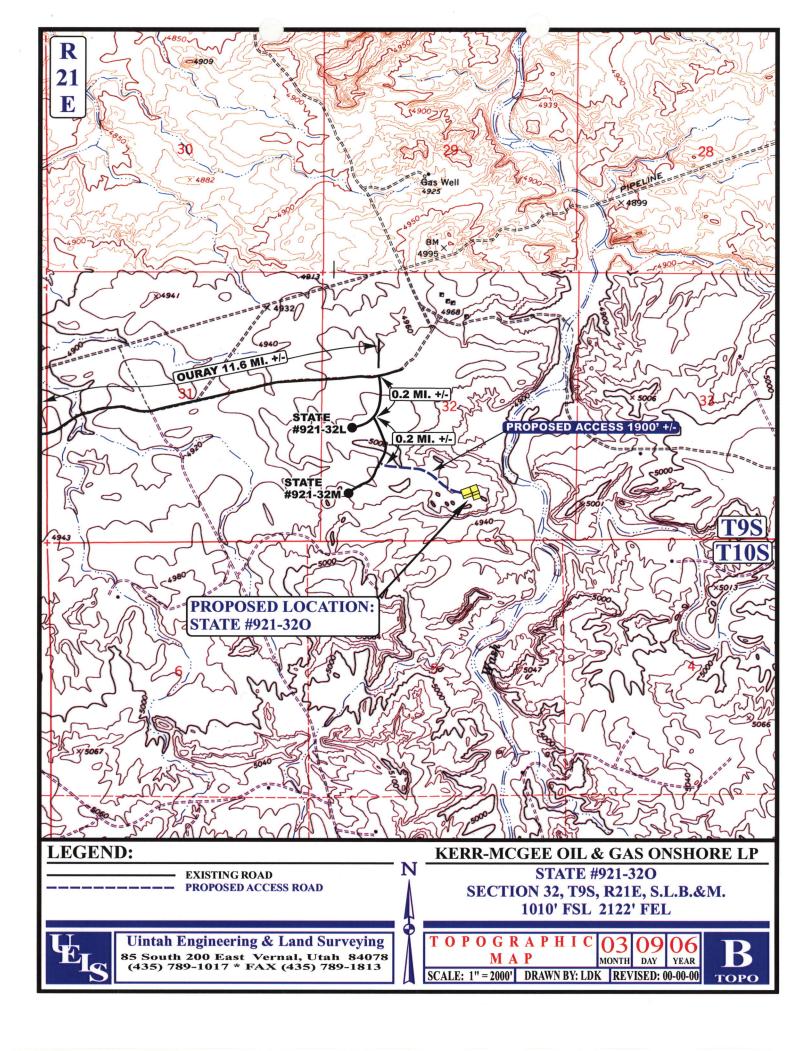
LOCATION PHOTOS

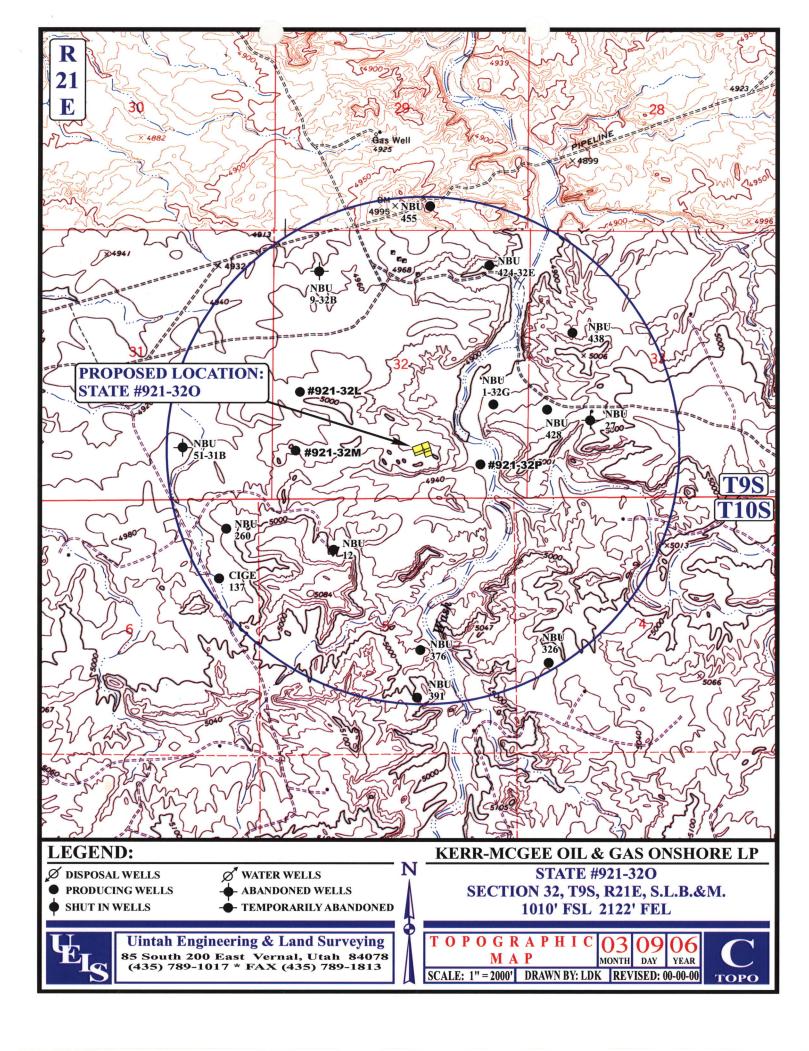
03 09 06 MONTH DAY YEAR

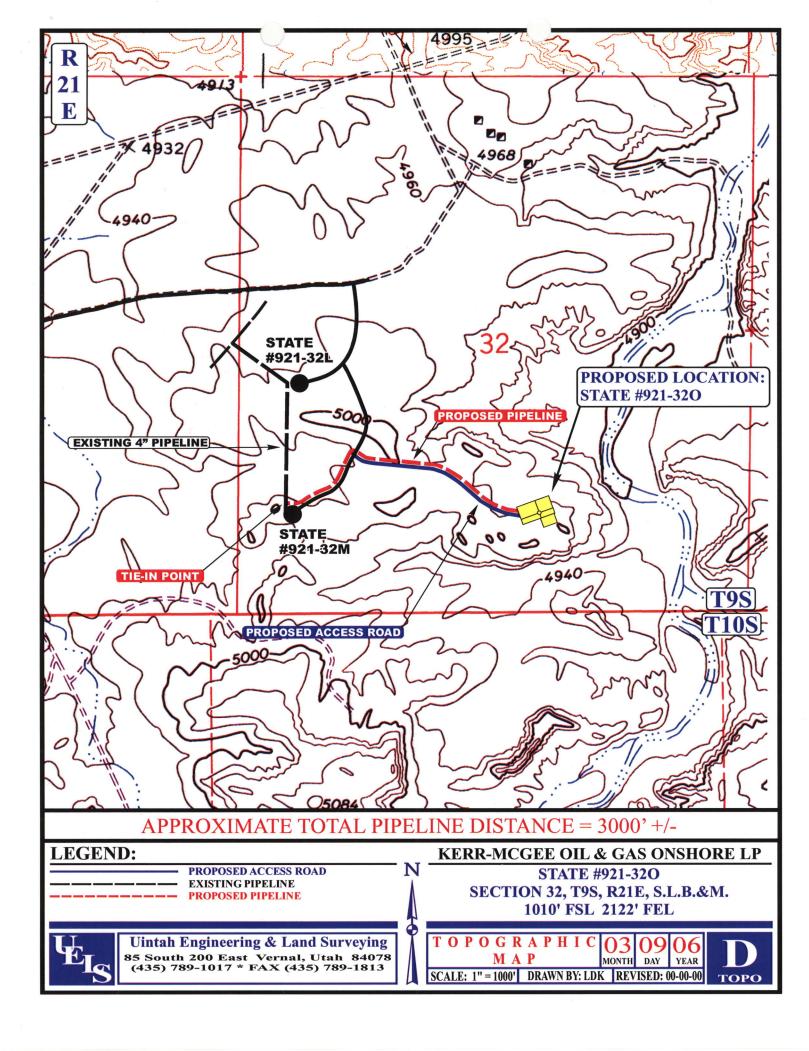
РНОТО

TAKEN BY: B.H. DRAWN BY: LDK REVISED: 00-00-00









KERR-MCGEE OIL & GAS ONSHORE LP

STATE #921-32O PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH SECTION 32, T9S, R21E, S.L.B.&M.



PHOTO: VIEW OF TIE-IN POINT

CAMERA ANGLE: SOUTHEASTERLY

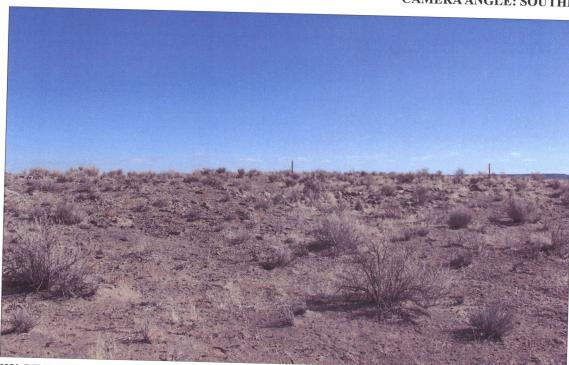


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHWESTERLY



Uintah Engineering & Land Surveying

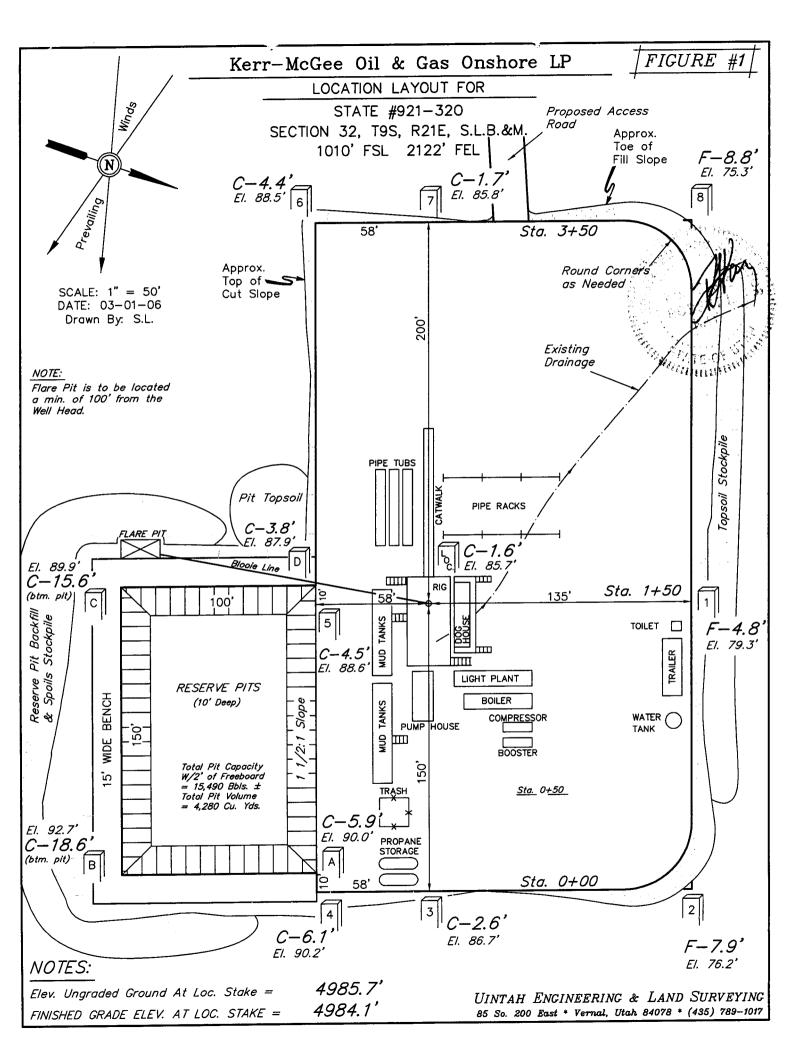
385 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

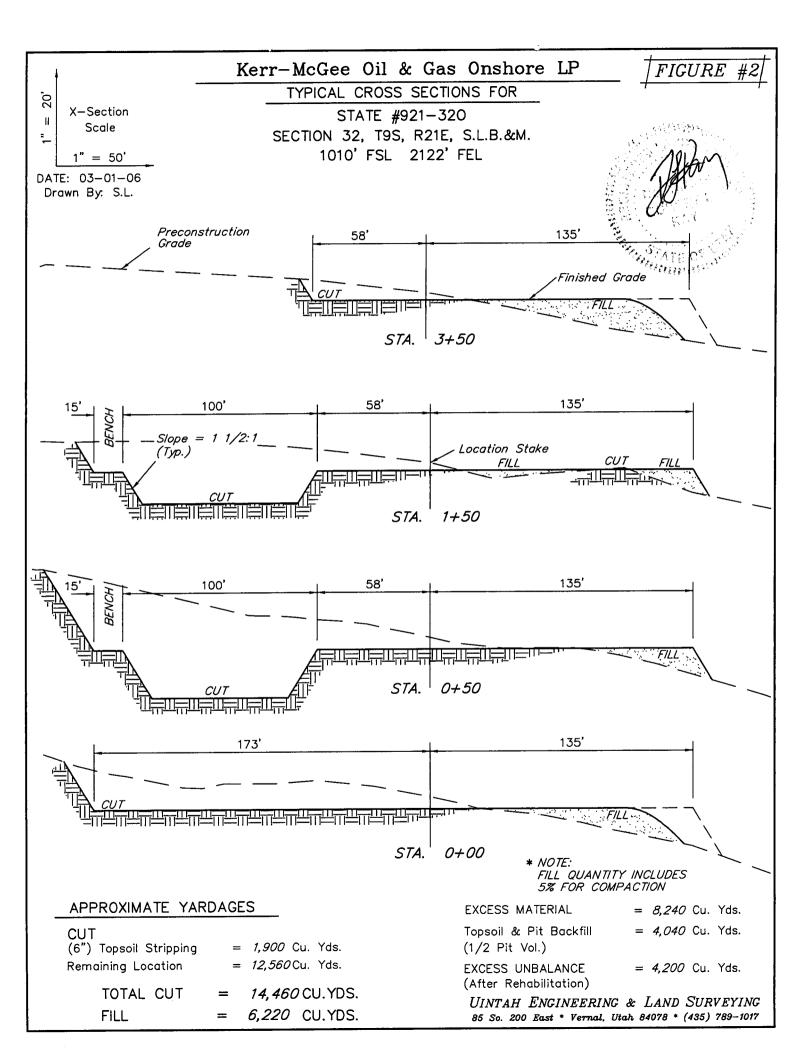
PIPELINE PHOTOS

MONTH DAY YEAR

РНОТО

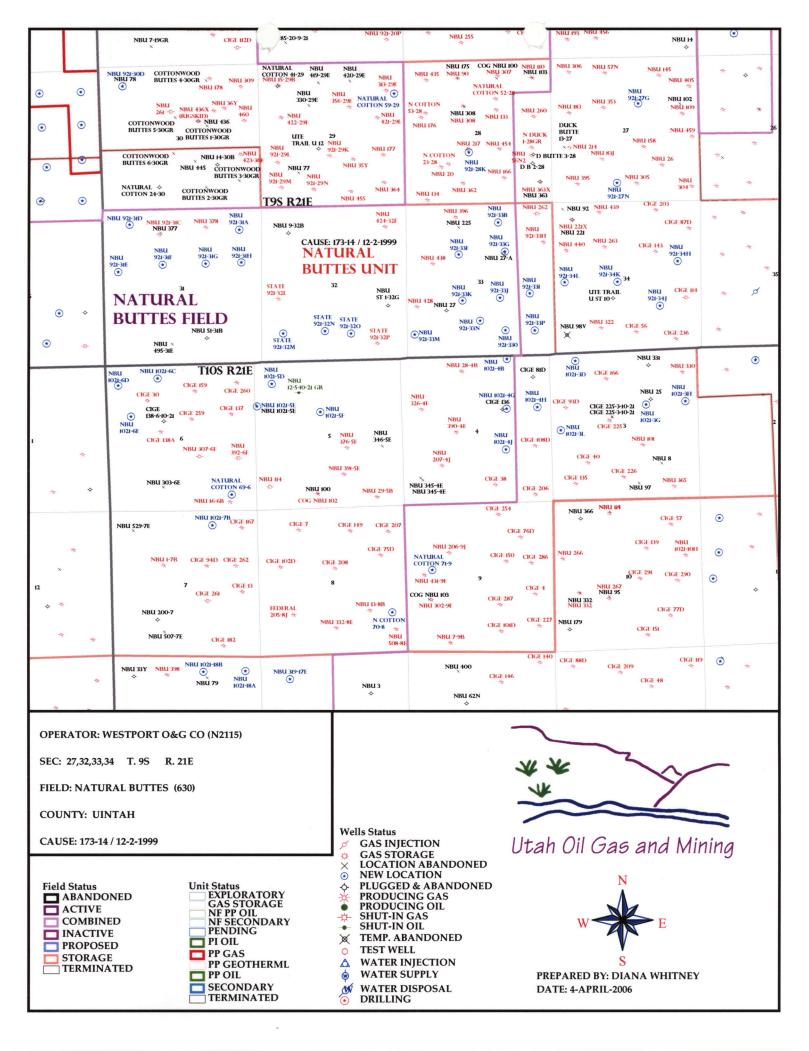
TAKEN BY: B.H. DRAWN BY: LDK REVISED: 00-00-00





WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/29/2006	API NO. ASSIGNED: 43-047-37958				
WELL NAME: STATE 921-320 OPERATOR: YELV MCGGE (N2995) CONTACT: SHEILA UPCHEGO	PHONE NUMBER: 435-781-7024				
PROPOSED LOCATION: SWSE 32 090S 210E SURFACE: 1010 FSL 2122 FEL BOTTOM: 1010 FSL 2122 FEL COUNTY: UINTAH LATITUDE: 39.98714 LONGITUDE: -109.5727 UTM SURF EASTINGS: 621863 NORTHINGS: 4427095 FIELD NAME: NATURAL BUTTES (630) LEASE TYPE: 3 - State LEASE NUMBER: ML-48758 SURFACE OWNER: 3 - State	INSPECT LOCATN BY: / / Tech Review Initials Date Engineering 5/4/06 Geology Surface PROPOSED FORMATION: WSMVD COALBED METHANE WELL? NO				
Plat Bond: Fed[] Ind[] Sta[] Fee[] (No. 2 B 0 0 5 2 3 2). Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-8496 N RDCC Review (Y/N) (Date:) My Fee Surf Agreement (Y/N)	TATION AND SITING: R649-2-3. it: NATURAL BUTTES V R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception Drilling Unit Board Cause No: 173-14 Eff Date: 12-2-40 Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-11. Directional Drill				
STIPULATIONS: 1-8, SHALE 2-STATEMENT OF BASIS 3-50/fice (sg Cont State)					



DIVISION OF OIL, GAS AND MINING APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

OPERATOR:	WESTPORT OIL AND GAS COMPANY, L.P.
WELL NAME & NUMBER:	STATE 921-32O
API NUMBER:	43-047-37958
LOCATION: 1/4,1/4 SW/SE Sec	: <u>32 TWP: 98 RNG: 21E 2122' FEL 1010' FSL</u>
,	
Geology/Ground Water:	
Westport proposes to set 2,400' of	surface casing at this location. The depth to the base of the moderately
saline water at this location is estim	nated to be at a depth of 4,000'. A search of Division of Water Rights records
shows one water well within a 10,0	000 foot radius of the center of section 32. This well is approximately .3
miles from the proposed location ar	nd is listed as a mining use well. The producing depth is listed as 200 feet.
The surface formation at this site is	s the Uinta Formation. The Uinta Formation is made up of interbedded
shales and sandstones. The sandsto	ones are mostly lenticular and discontinuous and should not be a significant
	roduction casing cement should be brought to above the base of the
moderately saline groundwater in o	order to isolate it from fresher waters uphole.
Reviewer: Brad	Hill Date: 04/24/06
Surface:	
	urface was performed on 04/12/06. Ben Williams with DWR and Ed Bonner
with SITLA were invited to this inv	vestigation on 04/05/06. Mr. Bonner was not present.
	rding the construction of this location or the drilling of this well. This site is on
	nd appears to be the best site for a location in the immediate area. Mr. Williams
gave Raylene Weddle with Westpor	rt a prescribed seed mix to be used when reserve pit is reclaimed.
Reviewer: Floyd B	Bartlett Date: 04/14/2006
Conditions of Approval/Applicati	ion for Permit to Drill:

None.

ON-SITE PREDRILL EVALUATION Division of Oil, Gas and Mining

OPERATOR: WESTPORT OIL AND GAS COMPANY, L.P.

WELL NAME & NUMBER: STATE 921-320

API NUMBER: 43-047-37958

LEASE: ML 48758 FIELD/UNIT: NATURAL BUTTES

LOCATION: 1/4,1/4 SW/SE Sec: 32 TWP: 9S RNG: 21E 2122' FEL 1010' FSL

LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.

GPS COORD (UTM): 621863 E 4427059 N SURFACE OWNER: STATE OF UTAH (SITLA)

PARTICIPANTS

FLOYD BARTLETT (DOGM), CLAY EINERSON, RICH DEVOT, RAYLYNN WEDDLE (WESTPORT), DAVID KAY (UELS), BEN WILLIAMS (DWR).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Ouray, Ut is approximately 12 miles to the northwest. Access to the area is by a State of Utah Highway, Uintah County and oil field development roads. Approximately 1900 feet of new road will be required extending from the existing State 921-32M well.

Site is approximately 0.7 miles south of the Middle Bench road on a sandy knoll sloping to the northwest and draining into Cottonwood Wash which is approximately 0.15 miles to the west. Terrain is not overly steep but broken in the immediate area consisting of small draws separated by low ridges. Several small mounds of windblown sand exist. Cottonwood Wash is an ephemeral drainage, which flows only during spring runoff and during intense summer storms. It's confluence with the White River is approximately 7 miles to the north.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: The dimensions of the location are 350' by 193' that does not include a portion of the reserve pit or the topsoil and spoils storage. Access to the site will be over 1900' of new road leading off an existing oilfield service road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. A PIPELINE 3,000 FEET IN LENGTH WILL FOLLOW ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: <u>ALL CONSTRUCTION MATERIAL WILL BE</u> BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

AMCTITARY	FACILIT_LS:	NONE	WITI.I.	BE	RECHTRED
VIICTTTVIIT	LUCTHITITIO.	INOINE	AA T TITI	μ	IUDZOTIUD.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? EXPLAIN: Unlikely. Numerous wells exist in the immediate area.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: BIG SAGEBRUSH, CHEAT GRASS, HORSEBRUSH, PRICKLY PEAR, GLOBE MALLOW, HALOGETON, RABBITBRUSH: PRONGHORN, RODENTS, SONGBIRDS, RAPTORS, COYOTE, RABBITS.

SOIL TYPE AND CHARACTERISTICS: BROWN SANDY CLAY LOAM WITH EXPOSED SANDSTONE BEDROCK.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion.

Sedimentation and stability are not a problem and location
construction shouldn't cause an increase in stability or erosion
problems. One drainage begins within the location and will be filled
during construction of the pad.

PALEONTOLOGICAL POTENTIAL: PALEO COMPLETED 2-28-06

RESERVE PIT

CHARACTERISTICS: 150' BY 100' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT. Raylene Weddle of Westport stated they plan to install a 20 mil. liner with a felt pad sub liner.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: AS PER SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: MONTGOMERY ARCHEOLOGICAL CONSULTANTS ON 3/9/06 INSPECTED SITE. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A COOL, CLEAR DAY.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

FLOYD BARTLETT
DOGM REPRESENTATIVE

04/12/06, 10:10 AM DATE/TIME

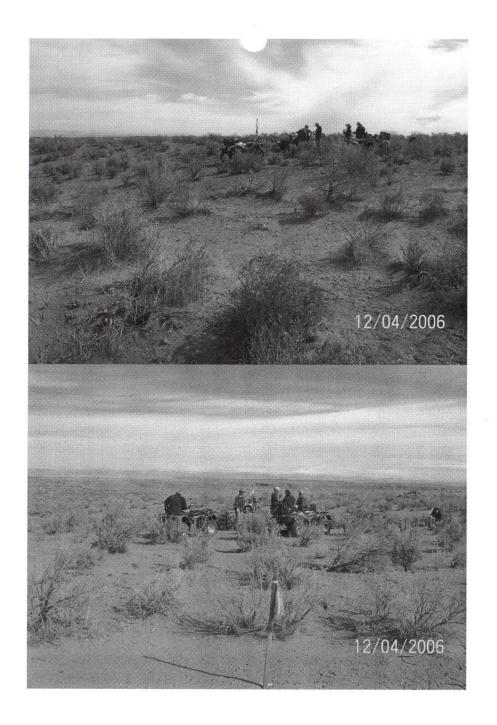
${\bf k}$ luation Ranking Criteria and Ranking score For Reserve and Onsite Pit Liner Requirements

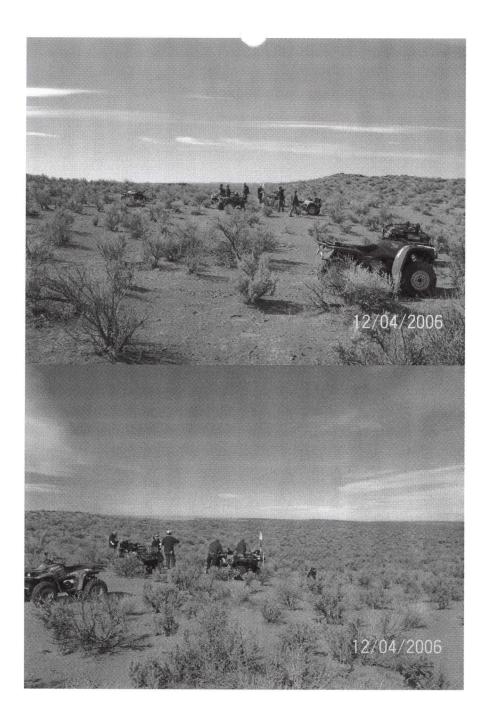
Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet) >200 100 to 200 75 to 100 25 to 75 <25 or recharge area	0 5 10 15 20	0
Distance to Surf. Water (feet) >1000 300 to 1000 200 to 300 100 to 200 < 100	0 2 10 15 20	0
Distance to Nearest Municipal Well (feet)	0 5 10 20	0
Distance to Other Wells (feet) >1320 300 to 1320 <300	0 10 20	0
Native Soil Type Low permeability Mod. permeability High permeability	0 10 20	<u>10</u>
Fluid Type Air/mist Fresh Water TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	0 5 10 15	5
Drill Cuttings Normal Rock Salt or detrimental	0 10	0
Annual Precipitation (inches) <10 10 to 20 >20	0 5 10	0
Affected Populations <10 10 to 30 30 to 50 >50	0 6 8 10	0
Presence of Nearby Utility Conduits Not Present Unknown Present	0 10 15	0

Final Score 15 (Level II Sensitivity)

Sensitivity Level I = 20 or more; total containment is required. Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.



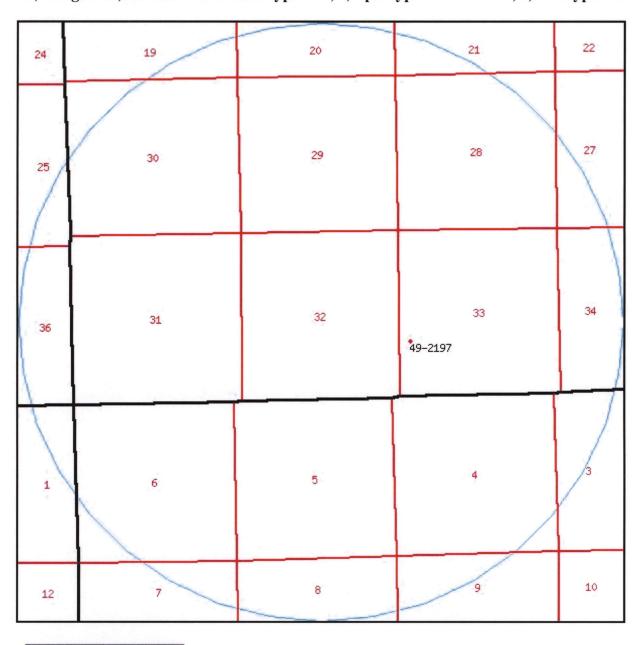




WRPLAT Program Output Listing

Version: 2004.12.30.00 Rundate: 04/24/2006 03:21 PM

Radius search of 10000 feet from a point N2640 E2640 from the SW corner, section 32, Township 9S, Range 21E, SL b&m Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all



3900

2600

1300

5200 ft

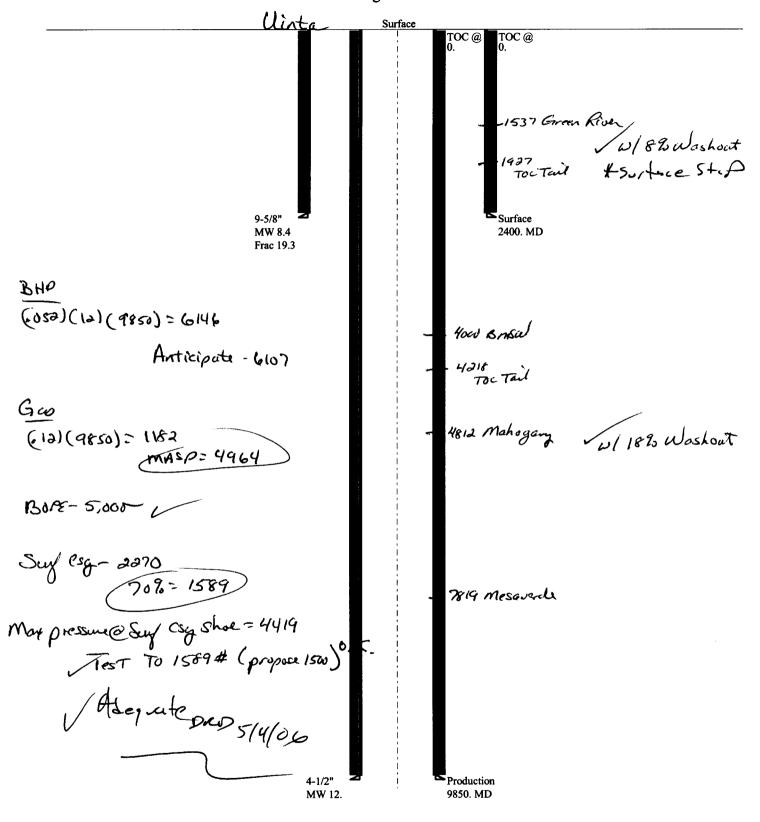
Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS ACFT	Owner N
49-2197	Underground		A	20050527	O	0.250 0.000	UTAH SCHOOL AND INSTITUTIONAL TRI ADM.
	N1855 E348 SW 33 9S 21E SL						RICHARD B. WILCO: SPECIALIST

Natural Resources | Contact | Disclaimer | Privacy Policy | Accessibility Policy

- 04-06 Westport State 921-3-J

Casing Schematic



04-06 Westport State 921-320 Well name:

Westport Oil & Gas Operator:

Surface Project ID: String type:

Uintah County Location:

43-047-37958

Design parameters:

Collapse Mud weight: 8.400 ppg Design is based on evacuated pipe.

Minimum design factors: **Environment:** Collapse: H2S considered?

No 75 °F Surface temperature: Design factor 1.125 109 °F Bottom hole temperature:

Temperature gradient: 1.40 °F/100ft Minimum section length: 1,500 ft

Burst:

1.00 Design factor

Cement top:

Surface

Burst

Max anticipated surface

pressure: 2,112 psi Internal gradient: 0.120 psi/ft Calculated BHP 2,400 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J) 8 Round LTC: 1.80 (J) 1.60 (J) **Buttress:** Premium:

1.50 (J) 1.50 (B) Body yield:

Tension is based on buoyed weight. Neutral point: 2,129 ft

Re subsequent strings:

Non-directional string.

Next setting depth: 9.850 ft Next mud weight: 12.000 ppg 6,140 psi Next setting BHP: Fracture mud wt: 19.250 ppg

Fracture depth: Injection pressure

2,400 ft 2,400 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
2	2000	9.625	32.30	H-40	ST&C	2000	2000	8.876	126.8
1	400	9.625	36.00	J-55	ST&C	2400	2400	8.796	28.5
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
2	873	1367	1.567	2352	2270	0.97	69	254	3.67 J
1	1047	2020	1.929	2400	3520	1.47	5	394	84.91 J

Clinton Dworshak Prepared by:

Utah Div. of Oil & Mining

Phone: 801-538-5280 FAX: 801-359-3940

Date: April 27,2006 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2400 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

04-06 Westport State 921-320 Well name:

Westport Oil & Gas Operator:

Production String type:

Project ID:

43-047-37958

Uintah County Location:

Design parameters: Collapse

Mud weight: 12.000 ppg Design is based on evacuated pipe.

Environment: Minimum design factors: Collapse:

Design factor 1.125

H2S considered? Surface temperature:

No 75 °F 213 °F

Bottom hole temperature: Temperature gradient: Minimum section length: 1,500 ft

1.40 °F/100ft

Burst:

1.00 Design factor

Cement top:

Non-directional string.

Surface

Burst

Max anticipated surface

pressure: 4,958 psi Internal gradient: 0.120 psi/ft Calculated BHP 6,140 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J) 1.80 (J) 8 Round LTC: 1.60 (J) **Buttress:**

Premium: 1.50 (J) 1.50 (B) Body yield:

Tension is based on buoyed weight. 8,083 ft Neutral point:

Run	Segment		Nominal		End	True Vert	Measured	Drift	internal
Seq	Length (ft)	Size (in)	Weight (lbs/ft)	Grade	Finish	Depth (ft)	Depth (ft)	Diameter (in)	Capacity (ft³)
1	9850	4.5	11.60	N-80	LT&C	9850	9850	3.875	228.3
Run Seq	Collapse Load	Collapse Strength	Collapse Design	Burst Load	Burst Strength	Burst Design	Tension Load	Tension Strength	Tension Design
	(psi)	(psi)	Factor	(psi)	(psi)	Factor	(Kips)	(Kips)	Factor
1	6140	6350	1.034	6140	7780	1.27	94	223	2.38 J

Prepared

Clinton Dworshak

Utah Div. of Oil & Mining

Phone: 801-538-5280 FAX: 801-359-3940

Date: April 27,2006 Salt Lake City, Utah

by: Remarks:

Collapse is based on a vertical depth of 9850 ft, a mud weight of 12 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

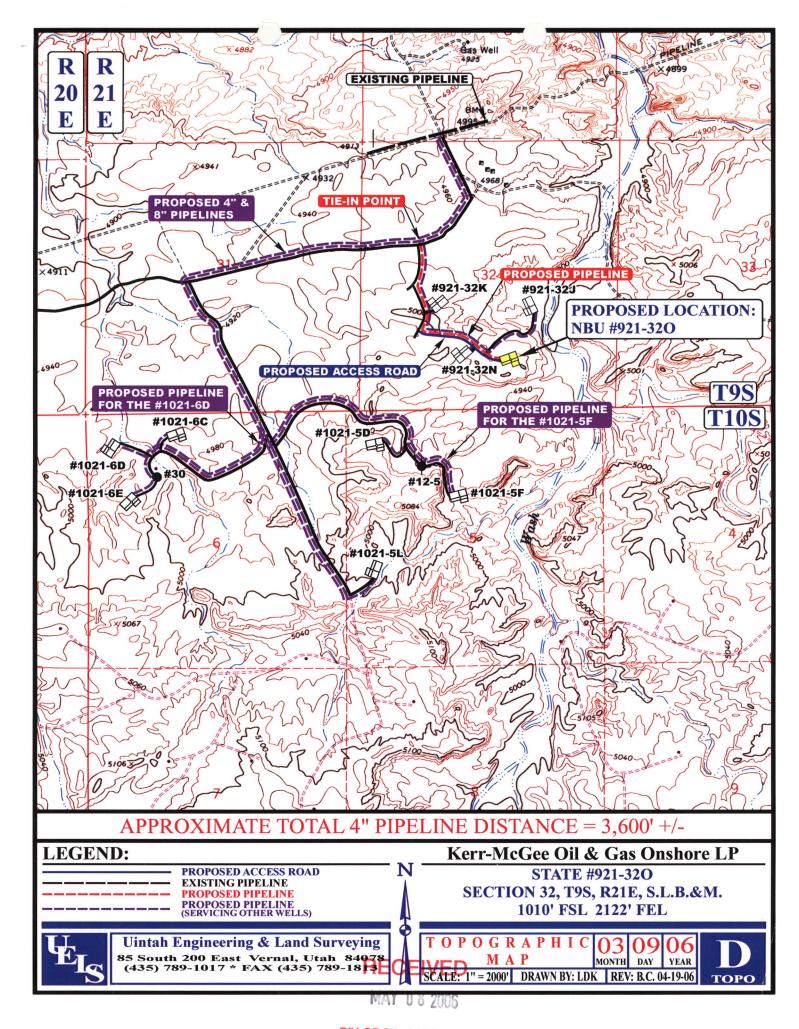
STATE OF UTAH

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Г	U	_	IVI	,

	DEPARTMENT OF NATU DIVISION OF OIL, G			5. LEASE DESIGNATION AND SERIAL NUMBER:
	D. (10,10) (1,10)			ML-48758
SUNDI	RY NOTICES AND	REPORTS ON W	ELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to d drill horizon	rill new wells, significantly deepen exis tal laterals. Use APPLICATION FOR F	ting wells below current bottom-ho PERMIT TO DRILL form for such p	le depth, reenter plugged wells, or to roposals.	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WE				8. WELL NAME and NUMBER:
2. NAME OF OPERATOR:				- STATE 921-320
KERR McGEE OIL & G	AS ONSHORE LP			43.047.37958
 ADDRESS OF OPERATOR: 1368 S. 1200 E. 	_{CITY} VERNAL s	TATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL	CITY S	TATE OI ZIPOTOTO	(100) 701 7024	1.0.10.2.20.1.20
FOOTAGES AT SURFACE: 101	0'FSL, 2122'FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP,	RANGE, MERIDIAN: SWSE 3	2 98 21E	: : :	STATE: UTAH
11. CHECK AF	PROPRIATE BOXES	TO INDICATE NATU	RE OF NOTICE, REP	ORT, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
NOTICE OF INTENT	ACIDIZE	DEEP	EN	REPERFORATE CURRENT FORMATION
(Submit in Duplicate)	ALTER CASING	FRAC	TURE TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start:	CASING REPAIR	☐ NEW	CONSTRUCTION	TEMPORARILY ABANDON
	CHANGE TO PREVIOUS	PLANS OPER	RATOR CHANGE	TUBING REPAIR
	CHANGE TUBING	PLUG	AND ABANDON	VENT OR FLARE
SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE WELL NAME	PLUG	BACK	WATER DISPOSAL
Date of work completion:	CHANGE WELL STATUS	PROD	DUCTION (START/RESUME)	WATER SHUT-OFF
Date of West Compression	COMMINGLE PRODUCIN	NG FORMATIONS RECL	AMATION OF WELL SITE	✓ OTHER: PIPELINE CHANGE
	CONVERT WELL TYPE	RECO	MPLETE - DIFFERENT FORMATIO	N
	0' +/- TO THE PROPOS APPROXIMATELY 3600	SED TO THE TIE-IN O' +/- OF 4" PIPELINI	POINT OF AN EXIST E TO THE EXISTING I	FROM THE PROPOSED LOCATION ING PIPELINE. THE OPERATOR PIPELINE.
NAME (PLEASE PRINT) SHEIL	UPCHEGO		TITLE REGULATORY	'ANALYST
SIGNATURE ////	r Palling		DATE 4/28/2006	
*1	ccepted by the tah Division of Gas and Mining			RECEIVED MAY 0 8 2085
(5/2000) C (3/2000)	Record Only	(See Instructions on Rev	verse Side)	EDAL O O ZOOU
FO!	[Kernia om	(Coe manachaeth on Rev	Side Side)	DIV OF OIL, GAS & MINING

(5/2000)

DIV. OF OIL, GAS & MINING



Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:	1/6/2006
FROM: (Old Operator):	TO: (New Operator):
N2115-Westport Oil & Gas Co., LP	N2995-Kerr-McGee Oil & Gas Onshore, LP
1368 South 1200 East	1368 South 1200 East
Vernal, UT 84078	Vernal, UT 84078
Phone: 1-(435) 781-7024	Phone: 1-(435) 781-7024

	CA No.	. Unit:				NATURAL BUTTES		
WELL NAME	SEC	TWN	RNG	API NO	ENTITY	I .	WELL	WELL
		,			NO	TYPE	TYPE	STATUS
NBU 920-14L	14			4304737894		Federal	GW	APD
NBU 920-15B	15			4304737895		Federal	GW	APD
NBU 920-15C	15			4304737896		Federal	GW	APD
NBU 920-21E	21			4304737897		Federal	GW	APD
NBU 920-22A	22	090S		4304737898		Federal	GW	APD
NBU 920-27A	27			4304737899		Federal	GW	APD
NBU 920-27G	27			4304737900		Federal	GW	APD
NBU 920-27F	27			4304737901		Federal	GW	APD
NBU 920-27C	27			4304737902		Federal	GW	APD
NBU 920-27B	27	090S		4304737903		Federal	GW	APD
NBU 920-27D	27	090S		4304737904		Federal	GW	APD
NBU 920-27I	27	090S		4304737905		Federal	GW	APD
NBU 920-27H	27	090S	200E	4304737906		Federal	GW	APD
NBU 921-27N	27	090S		4304737956		State	GW	NEW
STATE 921-32N		090S		4304737957		State	GW	NEW
STATE 921-32O	32	090S	210E	4304737958		State	GW	NEW
NBU 921-33M	33	090S		4304737959		State	GW	NEW
NBU 921-34J	34	090S	210E	4304737953		State	GW	NEW
NBU 922-31N	31	090S	220E	4304737954		State	GW	NEW
NBU 922-32N	32	090S	220E	4304737955		State	GW	NEW
NBU 1021-3L	03	100S	210E	4304737907		Federal	GW	APD
NBU 1021-3D	03	100S	210E	4304737908		Federal	GW	APD
NBU 1021-3H	03	100S	210E	4304737909		Federal	GW	APD
NBU 1021-3G	03	100S	210E	4304737963		Federal	GW	APD
NBU 1021-4G	04	100S	210E	4304737960		State	GW	NEW
NBU 1021-4B	04	100S	210E	4304737961		State	GW	NEW
NBU 1021-4H	04	100S	210E	4304737962		State	GW	NEW
NBU 1021-5F	05	100S	210E	4304737964		Federal	GW	APD
NBU 1021-5D	05	100S	210E	4304737965		Federal	GW	APD
NBU 1021-6E		100S	210E	4304737966		Federal	GW	APD
NBU 1021-6D	06	100S		4304737967		Federal	GW	APD
NBU 1021-6C		100S		4304737968		Federal	GW	APD
NBU 1021-7B	07	100S	210E	4304737941		Federal	GW	APD
NBU 1021-24I				4304737910		Federal	GW	NEW.
NBU 1021-24C	24	100S	210E	4304737911		Federal	GW	APD
NBU 1021-24B		100S		4304737912		Federal	GW	NEW
NBU 1021-25G		100S		4304737913		Federal	GW	APD
NBU 1021-25E		100S		4304737917		Federal	GW	APD
NBU 1021-25C		100S		4304737969		Federal	GW	APD
NBU 1022-19K		100S		4304737783		Federal	GW	APD
· · · · · · · · · · · · · · · · · · ·					1		+	

OPERATOR CHANGES DOCUMENTATION

_	ter date after each listed item is completed	EODMED		5/10/2006	
1.	(R649-8-10) Sundry or legal documentation was received from the			5/10/2006	
2.	(R649-8-10) Sundry or legal documentation was received from the	NEW operator	on:	5/10/2006	
3.	The new company was checked on the Department of Commerce	Division of Co	rnoratio	ns Datahase on:	3/7/2006
		Business Numb		1355743-0181	3/1/2000
4.		- Dusiness Numo)C1 .	1333743-0161	
5.	If NO, the operator was contacted contacted on:				
62	(R649-9-2)Waste Management Plan has been received on:	IN PLACE	•		
	Inspections of LA PA state/fee well sites complete on:	n/a	3 LA wel	lls & all PA wells tra	nsferred
	Reports current for Production/Disposition & Sundries on:	ok			
oc.	reports current for Froduction Disposition & Sandres on.		-		
7.	Federal and Indian Lease Wells: The BLM and or the I	BIA has appro	ved the	merger, name cha	nge,
	or operator change for all wells listed on Federal or Indian leases of		BLM	3/27/2006 BIA	not yet
_					
8.	Federal and Indian Units:	11 - 11 - 4 - 4		2/27/2007	
	The BLM or BIA has approved the successor of unit operator for	r wells listed on:		3/27/2006	
9.	Federal and Indian Communization Agreements ("	(CA"):			
7.	The BLM or BIA has approved the operator for all wells listed w	-		n/a	
10	. Underground Injection Control ("UIC") The D	ivision has appro	oved UIC	Form 5, Transfer of	Authority to
	Inject, for the enhanced/secondary recovery unit/project for the wa	ater disposal wel	ll(s) listed	on:	
_	ATA ENTRY:			·	
ע. 1	Changes entered in the Oil and Gas Database on:	5/15/2006			
1.	Changes entered in the On and Gas Database on.	3/13/2000	-		
2.	Changes have been entered on the Monthly Operator Change Sp	oread Sheet on:		5/15/2006	
•	D. I. C I. DDDMG	E (1 E /2007			
3.	Bond information entered in RBDMS on:	5/15/2006	-		
4.	Fee/State wells attached to bond in RBDMS on:	5/16/2006	_		
5.	Injection Projects to new operator in RBDMS on:		-		
6	Receipt of Acceptance of Drilling Procedures for APD/New on:		n/a	Name Change Onl	v
0.	1000tpt 0171000ptaneo 01 Billing 17000da100 10171 Billion on				
B	OND VERIFICATION:				·
1.	Federal well(s) covered by Bond Number:	CO1203	-		
2.	Indian well(s) covered by Bond Number:	RLB0005239	_		
3.	(R649-3-1) The NEW operator of any fee well(s) listed covered by	y Bond Number		RLB0005236	
a.	The FORMER operator has requested a release of liability from the	eir bond on:	n/a	rider added KMG	i
T 1	The Division sent response by letter on:		-		
_	EASE INTEREST OWNER NOTIFICATION:	tootad and infam	and bund I	attor from the Divisio	
4.	(R649-2-10) The FORMER operator of the fee wells has been con of their responsibility to notify all interest owners of this change or		5/16/200		on
	of their responsibility to notify air interest owners of this change of	1.	3/10/200	<u></u>	
C	DMMENTS:				

			, .,		

Form 3 160-5 (August 1999)

U. **D STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

A use this form for munnerals to drill an accuse.

MULTIPLE LEASES

abandoned well.	6. If Indian, Allottee or Tribe Name				
SUBMIT IN TRIPL	SUBMIT IN TRIPLICATE – Other instructions on reverse side				
1. Type of Well	- 40-				
Oil Well X Gas Well	Other		8. Well Name and No.		
2. Name of Operator			MUTIPLE WELLS		
KERR-McGEE OIL & GAS (DNSHORE LP		9. API Well No.		
3a. Address		3b. Phone No. (include area cod	le)		
1368 SOUTH 1200 EAST V	ERNAL, UT 84078	(435) 781-7024	10. Field and Pool, or Exploratory Area		
Location of Well (Footage, Sec.,	T., R., M., or Survey Descrip	tion)			
			11. County or Parish, State		
SEE ATTACHED			UINTAH COUNTY, UTAH		
12. CHECK APP	ROPRIATE BOX(ES) TO	INDICATE NATURE OF NOTI	CE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF AC	CTION		
Notice of Intent	Acidize Alter Casing		luction (Start/Resume) Water Shut-Off lamation Well Integrity		
Subsequent Report	Casing Repair Change Plans	New Construction Reco	omplete Other CHANGE OF OPERATOR		
Final Abandonment Notice	Convert to Injection		er Disposal		
If the proposal is to deepen directional Attach the Bond under which the worfollowing completion of the involved	ally or recomplete horizontally, rk will be performed or provid- operations. If the operation re- bandonment Notices shall be fi	give subsurface locations and measured e the Bond No. on file with BLM/BIA. sults in a multiple completion or recomp	ate of any proposed work and approximate duration thereof, and true vertical depths of all pertinent markers and zones. Required subsequent reports shall be filed within 30 days oletion in a new interval, a Form 3160-4 shall be filed once ng reclamation, have been completed, and the operator has		

OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. MAY 1 0 2006 KERR-McGEE OIL & GAS ONSHORE LP. IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237 DIV. OF OIL, GAS & MININ

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE

BLM BOND = CO1203 BIA BOND = RLB0005239

I hereby certify that the foregoing is true and correct

which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached. Approval of this notice does not warrant or

certify that the applicant holds legal or equitable title to those rights in the subject lease

End. D

10000		wine russell	
1		i on of Oil, Gas and Mining ne Russell, Engineering Technician GER	
1 -	Date lay 9, 2006		
THIS SPACE FOR	R FEDERAL OR STA	ATE USE	
	Title	Date	
notice does not warrant	Omice		

RECEIVED

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Approved by

Name (Printed/Typed)

R⁄AN/DY BAYNE

Form 3 160-5 (August 1999)

Uì **D STATES** DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

5.	Lease	Serial	No.

SUNDRY NOTICES AND REPORTS ON WELLS				MULTIPLE LEASES		
	form for proposals to			. If Indian, Allottee or Tribe Name		
abandoned well.	Use Form 3160-3 (APD)	for such proposa	als.			
SUBMIT IN TRIPL	ICATE – Other instru	ctions on revers		. If Unit or CA/Agreement, Name and/or No.		
Oil Well X Gas Well	Other		8	. Well Name and No.		
Name of Operator				NUTIPLE WELLS		
WESTPORT OIL & GAS CO	MPANY I P			API Well No.		
3a. Address		3b. Phone No. (incl	ude area code)			
1368 SOUTH 1200 EAST V	ERNAL. UT 84078	(435) 781-7024	<u> </u>). Field and Pool, or Exploratory Area		
Location of Well (Footage, Sec., T., R., M., or Survey Description)				•		
· · · · ·	•		11	. County or Parish, State		
SEE ATTACHED		-				
				INTAH COUNTY, UTAH		
12. CHECK APP	ROPRIATE BOX(ES) TO I	NDICATE NATUR	E OF NOTICE, REP	ORT, OR OTHER DATA		
TYPE OF SUBMISSION		T	YPE OF ACTION			
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abando Plug Back	n Temporarily A Water Disposa	Well Integrity Other CHANGE OF OPERATOR		
If the proposal is to deepen directional Attach the Bond under which the wor following completion of the involved	illy or recomplete horizontally, gi rk will be performed or provide to operations. If the operation resul- bandonment Notices shall be file	ve subsurface locations a the Bond No. on file wit Its in a multiple complet	and measured and true vi th BLM/BIA. Required ion or recompletion in a	ertical depths of all pertinent markers and zones, subsequent reports shall be filed within 30 days new interval, a Form 3160-4 shall be filed once tion, have been completed, and the operator has		
EFFECTIVE JANUARY 6, 20 THE OPERATORSHIP OF 1 ONSHORE LP.	THE ATTACHED WELL	LOCATIONS TO	O KERR-McGEE			
ONSHORE EF.	APPR	OVED 5	1/6/106	-		
	Ω	7		RECEIVED		
	Ca	rlove Rus	sell			
	DIVISION	Of Uil Uas and	Minine	MAY 1 0 2006		
	Earlene l	Russell, Engineer	ring Technician	DIV OF OIL GAS & MINING		
14. I hereby certify that the foregoing	g is true and correct			DIV OF CIL, GAS & MINING		
Name (Printed/Typed)		Title				
BRAD LANEY			IG SPECIALIST			
Signature		Date May 9, 2006				
	THIS SPACE	FOR FEDERAL OF	R STATE USE			
Approved by		Title		Date		
Grad Jany			· · · · · · · · · · · · · · · · · · ·	5-9-06		
Conditions of approval, if any, are attached certify that the applicant holds legal of equi which would entitle the applicant to conduct	itable title to those rights in the sub	warrant or Office ject lease				

Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET

ROUTING 1. DJJ 2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has char	1/6/2006						
FROM: (Old Operator):	TO: (New O ₁	perator):					
N2115-Westport Oil & Gas Co., LP	N2115-Westport Oil & Gas Co., LP			N2995-Kerr-McGee Oil & Gas Onshore, LP			
1368 South 1200 East			1368 South 1200 East				
Vernal, UT 84078	Vernal, UT 84078		, UT 84078	3			
Phone: 1-(435) 781-7024	one: 1-(435) 781-7024						
CA No.		Unit:		ATURAL I		,i	
WELL NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
	1	ł	INO	11112	11112	SIAIUS	
OPERATOR CHANGES DOCUMENT	TATION						
Enter date after each listed item is completed	•						
1. (R649-8-10) Sundry or legal documentation w		-		5/10/2006	_		
2. (R649-8-10) Sundry or legal documentation w		-		5/10/2006	_		
3. The new company was checked on the Depart		•	-	s Database	on:	3/7/2006	
4a. Is the new operator registered in the State of	Utah: YES	Business Numb	er:	1355743-01	<u>8</u> 1		
4b. If NO , the operator was contacted contacted	on:						
5a. (R649-9-2)Waste Management Plan has been r	eceived on:	IN PLACE	_				
5b. Inspections of LA PA state/fee well sites comp	olete on:	n/a	3 LA well	s & all PA v	vells tran	sferred	
5c. Reports current for Production/Disposition &	Sundries on:	ok	-				
6. Federal and Indian Lease Wells: Th	e BLM and or the F	BIA has appro	oved the r	nerger, nai	ne chan	ge,	
or operator change for all wells listed on Feder	ral or Indian leases o	n:	BLM	3/27/200€	BIA	not yet	
7. Federal and Indian Units:							
The BLM or BIA has approved the successor				3/27/2006			
8. Federal and Indian Communization	•						
The BLM or BIA has approved the operator			LINGI	n/a	c c.		
9. Underground Injection Control ("U	,	vision has appro			ister of A	uthority to	
Inject, for the enhanced/secondary recovery u	nit/project for the wa	iter disposal we	ll(s) listed (on:		,	
DATA ENTRY:		5/15/0005					
 Changes entered in the Oil and Gas Database Changes have been entered on the Monthly O 		5/15/2006	-	5/15/2006			
3. Bond information entered in RBDMS on:		5/15/2006		3/13/2000	-		
4. Fee/State wells attached to bond in RBDMS of		5/16/2006	• .				
5. Injection Projects to new operator in RBDMS			-				
6. Receipt of Acceptance of Drilling Procedures	for APD/New on:		n/a	Name Char	nge Only		
BOND VERIFICATION:						_	
1. Federal well(s) covered by Bond Number:		CO1203	-				
2. Indian well(s) covered by Bond Number:		RLB0005239	-				
3. (R649-3-1) The NEW operator of any fee well	•			RLB000523	6		
a. The FORMER operator has requested a release	of liability from the	ir bond on:	n/a	_rider adde	d KMG		
The Division sent response by letter on: LEASE INTEREST OWNER NOTIFIC	TATION.		-				
			l	44 a.u. Cur 41	TVI-si-i		
4. (R649-2-10) The FORMER operator of the fee of their responsibility to notify all interest owner			ned by a le 5/16/2006		Division		
COMMENTS:	no or uno change on	•	J/10/2000				

4 Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000

5. Lease Serial No.

SUNDRY NOTICES AND REPORTS	MULTIPLE LEASES		
Do not use this form for proposals to o abandoned well. Use Form 3160-3 (APD) fo		6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE Other instruct	ions on reverse side	7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well Oil Well Gas Well Other		8. Well Name and No.	
2. Name of Operator		MUTIPLE WELLS	
KERR-McGEE OIL & GAS ONSHORE LP	9. API Well No.		
3a. Address 3			
	435) 781-7024	10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			
SEE ATTACHED		11. County or Parish, State	
		UINTAH COUNTY, UTAH	
12. CHECK APPROPRIATE BOX(ES) TO IN	DICATE NATURE OF NOTICE, R	EPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION		
Notice of Intent		(Start/Resurne) Water Shut-Off	
Alter Casing Subsequent Report Casing Repair	Fracture Treat Reclamation New Construction Recomplete		
Change Plans	Plug and Abandon Temporaril		
Final Abandonment Notice Convert to Injection 13. Describe Proposed or Completed Operations (clearly state all pertinent de	Plug Back Water Disp		
If the proposal is to deepen directionally or recomplete horizontally, give Attach the Bond under which the work will be performed or provide the following completion of the involved operations. If the operation results testing has been completed. Final Abandonment Notices shall be filed of determined that the site is ready for final inspection.	Bond No. on file with BLM/BIA. Require in a multiple completion or recompletion in	red subsequent reports shall be filed within 30 days	
PLEASE BE ADVISED THAT KERR-McGEE OIL & GOPERATOR OF THE ATTACHED WELL LOCATION KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONDED THE LEASE(S) FOR THE OPERATIONS CONDUIS PROVIDED BY STATE OF UTAH NATIONWIDE BELL BOND = CO/203 BIA BOND = RLB 000	IS. EFFECTIVE JANUARY 6, DNSIBLE UNDER TERMS AN JCTED UPON LEASE LANDS BOND NO. RLB0005237. APPROVE 5239 Carline	, 2006. ID CONDITIONS MAY 1 0 2006 S. BOND COVERAGE D_5/16/06 Russell	
14. I hereby certify that the foregoing is true and correct	Division of Oil,	Sas and Mining	
Name (Printed/Typed) RANDY BAYNE	Title Carrene Russell, DRILLING MANAGER	Engineering Technician	
Signature / Sayne	Date May 9, 2006		
	OR FEDERAL OR STATE USE		
Approved by	Title	Date	
Conditions of approval, if any, are attached. Approval of this notice does not war certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001, make it a crime for any person knowledge.	t lease	artment or grangy of the United States only	

false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000

5. Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS

SUNDRY NOTICES AND REPORTS ON WELLS			MULTIPLE LEASES	
	form for proposals to Use Form 3160-3 (APD		6. If Indian, Allottee or Tribe Name	
		ctions on reverse side	7. If Unit or CA/Agreement, Name and/o	r No.
I. Type of Well				
Oil Well X Gas Well	Other		8. Well Name and No.	
2. Name of Operator		-	MUTIPLE WELLS	
WESTPORT OIL & GAS CO	DMPANY L.P.		9. API Well No.	
3a. Address		3b. Phone No. (include area		
4. Location of Well (Footage, Sec.,		(435) 781-7024	10. Field and Pool, or Exploratory Area	
Execution of Well (2 boldge, Dec.,	1., K., W., or survey Description	ony	11. County or Parish, State	
SEE ATTACHED				
			UINTAH COUNTY, UTAH	
12. CHECK APP	ROPRIATE BOX(ES) TO	INDICATE NATURE OF NO	OTICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF	ACTION	
Notice of Intent	Acidize	Deepen P	roduction (Start/Resume) Water Shut-Off	
Subsequent Report	Alter Casing	=	Reclamation	
Subsequent Report	Casing Repair Change Plans		Recomplete	<u>F</u>
Final Abandonment Notice	Convert to Injection		Vater Disposal	
testing has been completed. Final A determined that the site is ready for fine EFFECTIVE JANUARY 6, 2. THE OPERATORSHIP OF TONSHORE LP.	CORROGATION NOTICES SHALL BE THE HEAL INSPECTION. OOG, WESTPORT OIL OF THE ATTACHED WELL APPR	8 GAS COMPANY L.P., LOCATIONS TO KERR	R-McGEE OIL & GAS	has
	Ca	rlove Russell		
	Division	of Oil, Cas and Mining Russell, Engineering Tec	(1)(A) (A) (A)	
14. I hereby certify that the foregoin		resord Engineering 160	DIV OF OIL GAS & MININ	IG.
Name (Printed/Typed)	g is true and correct	Title		_
BRAD LANEY		ENGINEERING SPEC	CIALIST	
Signature		Date May 9, 2006		
	THIS SPACE	FOR FEDERAL OR STATE	USE	
Approved by		Title	Date	
Conditions of approval, if any, are attached certify that the applicant holds legal of equi which would entitle the applicant to conduct	itable title to those rights in the sub-	variant or Office lect lease	5-9-06	
	it a crime for any person kno	wingly and willfully to make to matter within its jurisdiction.	any department or agency of the United States any	

Jim Davis From: Mason, Diana To: 7/30/2008 4:03 PM Date:

SITLA APD approval 7/30/08 Subject:

CC: Bonner, Ed; Garrison, LaVonne The following wells have been approved by SITLA including arch and paleo clearance.

Operator	Well Name	API#
Kerr McGEE	NBU 921-26M2AS	4304740113
Kerr McGEE	NBU 922-3201T	4304740116
Kerr McGEE	NBU 922-29J	4304740119
ConocoPhillips	Utah 17-1174	4300731418
EOG Res	NBU 672-25E	4304750028
XTO Energy	St of Ut 16-8-32-23D	4301530741
XTO Energy	St of Ut 16-8-31-43D	4301530742
Gasco Prod	Gate Cyn St 12-21-11-15	4301333858
Gasco Prod	State 42-32-9-19	4304739795
National Fuel	NFC Lindisfarne St 43-35	4304739852
EOG Resources	NBU 642-13E	4304750013
EOG Resources	NBU 640-13E	4304750014
EOG Resources	NBU 663-24E	4304750010
EOG Resources	NBU 661-24E	4304750011
Kerr McGEE	NBU 921-34MT	4304739402
Kerr McGEE	NBU 1022-25H	4304739033
Kerr McGEE	State 1022-25I	4304739034
Westport O&G	State 921-32N	4304737957
Westport O&G	State 921-320	4304737958
EOG Resources	NBU 638-13E	4304750016

⁻Jim Davis



State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 31, 2008

Kerr-McGee Oil & Gas Onshore LP 1368 S 1200 E Vernal, UT 84078

Re:

State 921-320 Well, 1010' FSL, 2122' FEL, SW SE, Sec. 32, T. 9 South, R. 21 East,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37958.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal Office

SITLA



Operator:	Kerr-M	cGee Oil & Gas Onshore	e LP
Well Name & Number	State 92	1-320	
API Number:	43-047-	37958	
Lease:	ML-487	758	
Location: SW SE	Sec. 32	T. 9 South	R. 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to spudding the well contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well contact Dustin Doucet
- Any changes to the approved drilling plan contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

• Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home

• Carol Daniels at: (801) 538-5284 office

• Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
- 6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
- 7. Surface casing shall be cemented to the surface.

STATE OF UTAH			FORM 9		
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER: ML-48758		
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for proposition-hole depth, reenter plu DRILL form for such proposals.	sals to drill new wells, significantly deepen igged wells, or to drill horizontal laterals. U	existing wells below current Jse APPLICATION FOR PERMIT TO	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES		
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: STATE 921-320		
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONS	HORE, L.P.		9. API NUMBER: 43047379580000		
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th S	treet, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1010 FSL 2122 FEL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWSE Section: 32	IP, RANGE, MERIDIAN: Township: 09.0S Range: 21.0E Meridian:	S	STATE: UTAH		
11. CHE	CK APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
	☐ ACIDIZE	ALTER CASING	CASING REPAIR		
Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
7/24/2009	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE		
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION		
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK		
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
	☐ TUBING REPAIR	☐ VENT OR FLARE	WATER DISPOSAL		
☐ DRILLING REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION		
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:		
12. DESCRIBE PROPOSED OR CO	OMPLETED OPERATIONS. Clearly show all per	tinent details including dates, depths, v	olumes, etc.		
Kerr-McGee Oil & Ga extension to this A	as Onshore, L.P. (Kerr-McGee PD for the maximum time allowith any questions and/or con) respectfully requests an owed. Please contact the	Approved by the Utah Division of Oil, Gas and Mining		
		D	ate: July 23, 2009		
		В	y: Balyll		
			92************************************		
		I			
NAME (PLEASE PRINT) Danielle Piernot	PHONE NUMBER 720 929-6156	TITLE Regulatory Analyst			
SIGNATURE N/A		DATE 7/21/2009			



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047379580000

API: 43047379580000 Well Name: STATE 921-320

Location: 1010 FSL 2122 FEL QTR SWSE SEC 32 TWNP 090S RNG 210E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 7/31/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that requ

informa uire revi	tion as submitted in sion. Following is a c	the previousl hecklist of so	ly approved a ome items re	pplication t ated to the	to drill, remai application,	ins valid and does not which should be verified.
	ated on private land, ed? 问 Yes 📵 No		ership chang	ed, if so, ha	s the surface	agreement been
	any wells been drille requirements for thi				which would	affect the spacing or
	here been any unit on sproposed well?		-	place that	could affect t	he permitting or operatio
	there been any chang the proposed location			cluding ow	nership, or ri	ghtof- way, which could
• Has tl	he approved source o	of water for d	rilling chang	ed? 📵 Ye	es 📵 No	
	there been any phys ge in plans from what					e which will require a s 📵 No
• Is bo	nding still in place, w	hich covers t	his proposed	well? 🌘	_	Approved by the Utah Division of Oil, Gas and Mining
nature:	Danielle Piernot	Date:	7/21/2009			
Title:	Regulatory Analyst Re	presenting:	KERR-MCGEE	OIL & GAS (ONSHOR ₽,at.e :	
					D	(1) for OO

Sig

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES			FORM 9	
	5.LEASE DESIGNATION AND SERIAL NUMBER: ML-48758			
SUND	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
	sals to drill new wells, significantly deepen ogged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES	
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: STATE 921-320	
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONS	HORE, L.P.		9. API NUMBER: 43047379580000	
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th S	PHON treet, Suite 600, Denver, CO, 80217 3779	IE NUMBER: 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1010 FSL 2122 FEL QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWSE Section: 32	3	COUNTY: UINTAH STATE: UTAH		
11. CHE	CK APPROPRIATE BOXES TO INDICATI	E NATURE OF NOTICE, REPORT,	OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF ACTION		
	☐ ACIDIZE	ALTER CASING	CASING REPAIR	
NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME	
8/9/2010	☐ CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE	
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION	
bute of Work completion.	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK	
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION	
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON	
	☐ TUBING REPAIR	□ VENT OR FLARE	☐ WATER DISPOSAL	
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION	
	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:	
Kerr-McGee Oil & G extension to this A	MPLETED OPERATIONS. Clearly show all pert as Onshore, L.P. (Kerr-McGee) APD for the maximum time allo with any questions and/or com	respectfully requests an wed. Please contact the nments. Thank you.	Approved by the Utah Division of Oil, Gas and Mining ate: August 09, 2010 y:	
NAME (PLEASE PRINT) Danielle Piernot	PHONE NUMBER 720 929-6156	TITLE Regulatory Analyst		
SIGNATURE DATE N/A 8/9/2010				



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047379580000

API: 43047379580000 **Well Name:** STATE 921-320

Location: 1010 FSL 2122 FEL QTR SWSE SEC 32 TWNP 090S RNG 210E MER S

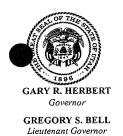
Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 7/31/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

require revi	sion. Following is a	checklist of so	ome items relat	ed to the ap	plication, wi	nich should be verified.
	ated on private land ed? 📗 Yes 📵 N	•	ership changed	, if so, has t	the surface a	greement been
	any wells been drill requirements for tl	_			hich would at	ffect the spacing or
	nere been any unit of proposed well?			ace that cou	uld affect the	permitting or operatio
	there been any cha the proposed locat			ıding owneı	rship, or righ	tof- way, which could
• Has tl	ne approved source	of water for d	rilling changed	? 🔵 Yes	No	
	there been any phy je in plans from wha					which will require a No
• Is boı	nding still in place, v	which covers t	his proposed w	rell? 📵 Ye	es 🔵 No 😈	pproved by the tah Division of Gas and Mining
	Danielle Piernot					
Title:	Regulatory Analyst F	Representing:	KERR-MCGEE O	L & GAS ON	SHOR <mark>P,at.e:</mark>	August 09, 2010
	•	_			P	M 160 00

By: Dod



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 3, 2011

Kerr McGee Oil & Gas Onshore, L.P. P.O. Box 173779 Denver, CO 80217 43 047 37958 State 921-320 95 21E 32

Re:

APDs Rescinded for Kerr McGee Oil & Gas Onshore, L.P.

Uintah County

Ladies and Gentlemen:

Enclosed find the list of APDs that are being rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective August 3, 2011.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc:

Well File

Ed Bonner, SITLA



43-047-39522	Tribal 822-31O
43-047-50037	NBU 495-31E
43-047-50038	NBU 731-36E
43-047-50039	NBU 735-36E
43-047-50040	NBU 743-31E
43-047-50042	NBU 733-36E
43-047-37957	State 921-32N
> 43-047-37958	State 921-320
43-047-39033	NBU 1022-25H
43-047-39034	State 1022-25I
43-047-39402	NBU 921-34MT